GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA

UNSTARRED QUESTION NO:2205
ANSWERED ON:29.07.2002
PROTECTION TO FARMERS
SADASHIVRAO DADOBA MANDLIK

Will the Minister of AGRICULTURE be pleased to state:

he measures being adopted by the Government to protect farmers from unstable prices of agricultural products?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI HUKUMDEO NARAYAN YADAV)

In order to protect the farmers from unstable prices of agricultural products, the government takes several measures which include announcement of minimum support prices (MSPs) each season of major agricultural commodities, undertaking pricesupport operations of major agricultural commodities by the designated central nodal agencies under the MSP scheme and using instruments of trade to encourage exports and discourage imports of agricultural commodities, etc. The designated central nodal agencies are required to intervene in the market for undertaking procurement operations in case the market prices fall below the MSPs fixed by the government. The government is also implementing market intervention scheme (MIS) for horticulturalcommodities and other minor agricultural crops which are perishable in nature. The MIS is implemented for a particular commodity on the request of the state government(s) which are ready to bear 50% of the losses (25% in the case of north- eastern states) if any, in its implementation. The government has also taken various measures to promote agro exports with a view to expand market for agricultural produce thereby helping farmers realize better and more stable prices. Import duties on many of the agricultural commodities have been increased. The imports are being closely monitored and the government is determined to ensure through proper use of tariff mechanism that imports do not cause any injury to the domestic farmers. Fluctuation in wholesale prices of agricultural commodities are also monitored continuously so as to enable the government to intervene in the market whenever needed.